



Testimony by Keith Epstein
Connecticut State University System
Before the Labor and Public Employees
Committee
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Good afternoon, Senator Prague, Representative Zalaski and members of the Labor and Public Employees Committee. For the record, I am Keith Epstein, Assistant Vice Chancellor for Planning and Technical Services for the Connecticut State University System (CSUS), and I am here today to speak on behalf of Dr. Louise Feroe, Acting Chancellor, and the Central, Eastern, Southern and Western Connecticut State Universities. Thank you very much for the opportunity to testify today on Senate Bill 987, *An Act Requiring Community Workforce Agreements for Construction Projects at the Connecticut State University System*.

As you know, a Community Workforce Agreement (CWA) consists of a project labor agreement that includes a targeted hire provision designed to help low-income workers move into construction careers, most often through the use of an apprentice program intended to increase trade skills of the local workforce. Community Workforce Agreements have been implemented by local government, special quasi-governmental taxing authorities and non-profit organizations in cities across the country.

The Connecticut State University System recognizes the value of Community Workforce Agreements and agrees that for some construction projects they can be effective and appropriate. However, if not carefully planned, managed, and administered such a program can result in significant additional project costs resulting from the lower level of work produced by the apprentices and the skilled labor down time necessary to oversee and train the apprentices.

Most CSUS project funding is from two sources: (1) CSUS 2020 (for academic buildings, libraries, power plants, and administrative buildings), (2) bonding through the Connecticut Health and Educational Facilities Authority (CHEFA) (for residence halls, student centers, student parking garages, and dining halls). The statute governing the CSUS 2020 program sets a fixed amount of money per year, specified by project, through 2018. The 2020 project budgets are extremely challenging, with none of the projects currently budgeted for apprenticeship programs. CHEFA bonding is completely paid through student fees, therefore, CSUS makes every attempt to bond the least amount possible so as to prevent placing a larger debt service burden on students than is necessary.

If not managed properly, the use of a CWA on a CSUS 2020 project could require the reprogramming or elimination of already-established 2020 projects in order to cover any increased cost of the program. Any reprogramming of 2020 funds takes time and Legislative approval, and may lead to delays in moving projects forward into construction. Any project delay will lead to additional project costs. In the case of a CHEFA project, a poorly-managed CWA would add to the debt service burden carried by our students and could contribute to an increase of student fees.

Another concern we have regards monitoring and enforcement of the provisions of the CWA. The legislation as proposed contains no reference to monitoring and enforcement. Our understanding is that for those municipalities that have experience with CWAs, monitoring and enforcement are not only essential, but also expensive.

Because many of our existing project budgets are already set, and any significant changes would need to go through the Legislature; because CHEFA funded project cost increases will lead to additional student expenses, and because of the concerns we have regarding the monitoring and enforcement aspect of the CWAs, we respectfully suggest that this proposal be subject to a full study including the issues of added cost, monitoring and enforcement. We also request that any requirement to use CWAs on CSUS projects only apply to new General Fund projects in excess of \$2,000,000 for which a budget has not yet been established, so that the project budget would be an accurate reflection of all aspects of the project.

Thank you for this opportunity to comment on Senate Bill 987 and I would be happy to answer any questions that you have at this time.